

1997-98 SESSION
COMMITTEE HEARING
RECORDS

Committee Name:

Joint Committee on
Finance (JC-Fi)

Sample:

Record of Comm. Proceedings ... RCP

- 05hrAC-EdR_RCP_pt01a
- 05hrAC-EdR_RCP_pt01b
- 05hrAC-EdR_RCP_pt02

➤ Appointments ... Appt

➤ **

➤ Clearinghouse Rules ... CRule

➤ **

➤ Committee Hearings ... CH

➤ **

➤ Committee Reports ... CR

➤ **

➤ Executive Sessions ... ES

➤ **

➤ Hearing Records ... HR

➤ **

➤ Miscellaneous ... Misc

➤ 97hrJC-Fi_Misc_pt200

➤ Record of Comm. Proceedings ... RCP

➤ **

RESOLUTION NO. 2--1997-1998

TO THE HONORABLE, THE OUTAGAMIE COUNTY BOARD OF SUPERVISORS

LADIES & GENTLEMEN:

MAJORITY

1 Assembly Bill 100 (State Budget Bill) proposes changes to the nonpoint source
2 pollution program which funds management of priority watersheds. The
3 Governor's budget requires DNR to prepare a prioritized list of the watersheds
4 in the state for submission to the Land and Water Conservation Board (LWCB)
5 by January 1, 1998. The watershed funding will be limited to those using best
6 cost effective management practices. Outagamie County is currently involved in
7 three watershed programs with a possibility of identifying one more. This
8 resolution requests the Legislature to amend AB 100 to add continued funding of
9 the watershed projects and acceptance of additional watershed projects during the
10 period of evaluation by the DNR and LWCB.

11 NOW, THEREFORE, the undersigned members of the Legislative/Audit Committee
12 recommend adoption of the following resolution.

13 BE IT RESOLVED, that the Outagamie County Board of Supervisors does request the
14 Wisconsin Legislature to increase the Governor's Budget proposal to include continued funding
15 of watershed projects presently in the designated priority watersheds, and

16 BE IT FURTHER RESOLVED, that the Outagamie County Board of Supervisors also
17 requests the State Legislature accept and fund additional watershed projects during the
18 prioritizing time period authorized by the Governor's Budget proposal, and

19 BE IT FINALLY RESOLVED, that the Outagamie County Clerk be directed to forward
20 a copy of this resolution to the Outagamie County Delegation of State Legislators, the Joint
21 Finance Committee Members, and the Wisconsin Counties Association.

22 Dated this _____ day of April, 1997.

Resolution No. 2-1997-1998, Page 2

Respectfully submitted,
LEGISLATIVE/AUDIT COMMITTEE

Norman Austin

Michael Bryan

Betty Sanders

Cody Splitt

Adam Watkins

Duly and officially adopted by the County Board on: _____

Signed: _____

Board Chairperson

County Clerk

Approved: _____

Vetoed: _____

Signed: _____

County Executive

Nonpoint Source Program Changes

Item #10

Under current law, DNR, in conjunction with the Department of Agriculture, Trade and Consumer Protection (DATCP), the Land and Water Conservation Board (LWCB) and local governmental units, administers a program to provide financial assistance for measures to reduce water pollution from nonpoint (diffuse) sources. Currently, under the nonpoint source program, DNR biennially recommends watersheds to the LWCB for designation as priority watersheds and the LWCB designates priority watersheds. DNR is required to complete the process of the planning nonpoint source projects in all priority watersheds by December 31, 2015.

The Governor's budget requires DNR to prepare a list of the watersheds in this state in order of the level of impairment of the waters in each watershed caused by nonpoint source pollution and to submit the list to the LWCB no later than January 1, 1998. The budget requires the LWCB to identify priority watersheds based on the list and

recommendations by DNR and DATCP. DNR and DATCP must limit the number of watersheds that they recommend to the number that they determine will enable DNR to comply with the December 31, 2015, planning deadline.

Under the Governor's budget, a governmental unit may request funding for a nonpoint source project in a particular year by submitting an application to the LWCB no later than July 15 of the preceding year. DNR must use criteria approved by the LWCB to score each proposed project. Then, before November 1, the LWCB must select the projects for funding in the next year.

The nonpoint source program makes cost-sharing grants to pay a portion of the cost of best management practices for preventing or reducing pollution from nonpoint sources. The Governor's budget requires the DNR to identify, by rule, which best management practices are cost effective best management practices. Under this provision the nonpoint source program provides cost-sharing grants only for cost effective best management practices unless an applicant demonstrates that the use of a cost-effective best management practice will not contribute to water quality improvement. Currently, the percentage of the cost sharing grant is specified by statutes and ranges from 50% to 80%. The Governor's budget limits the cost-sharing grant to no more than 70% of the cost of the best management practice.

Under current law, the LWCB may authorize the transfer of funds appropriated to DNR for the nonpoint

source program to DATCP for grants to certain farmers for animal waste management facilities. The grants may be made only for facilities that will be located in priority watersheds. The Governor's budget eliminates this requirement.

Under current law, persons who discharge pollutants to the waters of this state from a point source, such as a factory, must obtain a permit from DNR. The Governor's budget requires DNR to administer at least one pilot project to evaluate the trading of water pollution credits. A pilot project may authorize a person required to obtain a water pollution permit to increase the discharge of pollutants above levels that would otherwise be authorized in the permit if the person reaches an agreement with another person under which the other person agrees to reduce the amount of pollution that the person causes or reaches an agreement with DNR or a local governmental unit under which the person pays money to DNR or the local governmental unit and DNR or the local governmental unit uses the money to reduce water pollution.

Under current law, DNR, in conjunction with the department of agriculture, trade and consumer protection (DATCP), the land and water conservation board (LWCB) and local governmental units, administers a program to provide financial assistance for measures to reduce water pollution from nonpoint (diffuse) sources. Currently, under the nonpoint source program, DNR biennially recommends watersheds to the LWCB for designation as priority watersheds and the LWCB designates priority watersheds. DNR is required to complete the process of the planning nonpoint source projects in all priority watersheds by December 31, 2015.

This bill requires DNR to prepare a list of the watersheds in this state in order of the level of impairment of the waters in each watershed caused by nonpoint source pollution and to submit the list to the LWCB no later than January 1, 1998. The bill requires the LWCB to identify priority watersheds based on the list and recommendations by DNR and DATCP. DNR and DATCP must limit the number of watersheds that they recommend to the number that they determine will enable DNR to comply with the December 31, 2015, planning deadline.

Under this bill, a governmental unit may request funding for a nonpoint source project in a particular year by submitting an application to the LWCB no later than July 15 of the preceding year. DNR must use criteria approved by the LWCB to score each proposed project. Then, before November 1, the LWCB must select the projects for funding in the next year.

Under current law, the LWCB may authorize the transfer of funds appropriated to DNR for the nonpoint source program to DATCP for grants to certain farmers for animal waste management facilities. The grants may be made only for facilities that will be located in priority watersheds. This bill eliminates this requirement.

Under current law, persons who discharge pollutants to the waters of this state from a point source, such as a factory, must obtain a permit from DNR. This bill requires DNR to

RESOLUTION NO. 1--1997-1998

TO THE HONORABLE, THE OUTAGAMIE COUNTY BOARD OF SUPERVISORS

LADIES & GENTLEMEN:

MAJORITY

1 Assembly Bill 100 (State Budget Bill) does not increase the youth aids
2 appropriation for counties but does include an accelerating rate schedule for
3 juvenile correctional institutions and child caring institutions. The resulting
4 increase in costs to the counties would remain the responsibility of the county.
5 To address this inequity, this resolution recommends that the youth aids be
6 increased in direct proportion to the increase in daily rates of the child caring
7 institutions.

8 NOW, THEREFORE, the undersigned members of the Legislative/Audit Committee
9 recommend adoption of the following resolution.

10 BE IT RESOLVED, that the Outagamie County Board of Supervisors does oppose any
11 increase in the per person daily cost assessment for juvenile correctional facilities and services
12 without an proportional adjustment to the youth aids allocation offered to counties to pay for the
13 stat-provided services, and

14 BE IT FURTHER RESOLVED, that it be recommended to the WCA and Health and
15 Human Services Director to actively advocate such an amendment to the proposed State Budget,
16 and

17 BE IT FINALLY RESOLVED, that the Outagamie County Clerk be directed to forward
18 a copy of this resolution to the Outagamie County Delegation of State Legislators, the Joint
19 Finance Committee, the Department of Corrections, and Wisconsin Counties Association.

20 Dated this _____ day of April, 1997.

Resolution No. 1--1997-1998, Page 2

Respectfully submitted,
LEGISLATIVE/AUDIT COMMITTEE

Norman Austin

Michael Bryan

Betty Sanders

Cody Splitt

Adam Watkins

Duly and officially adopted by the County Board on: _____

Signed: _____
Board Chairperson

County Clerk

Approved: _____

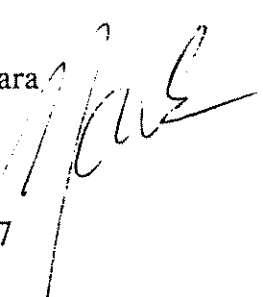
Vetoed: _____

Signed: _____
County Executive

HEALTH & HUMAN SERVICES

MEMORANDUM

TO: Sherri McNamara
FROM: Mark DeBruin
DATE: March 12, 1997
RE: Impact of Youth Aids Rate Increases in the Biennial Budget



1997
MAR 15 10 55 AM

Attached is a cost impact sheet prepared by Kay Herrling on the effects of the rate increases enumerated in the Youth Aids area of the Governor's budget. You will note that we have only utilized Lincoln Hills and Corrective Sanctions from the State of Wisconsin. We utilize child caring institutions and other services but on a private contract basis, not through the state program. These other programs will, in all probability, have rate increases approved by the State of Wisconsin but they are not approved at this point in time. Based on our utilization of Lincoln Hills and Corrective Sanctions in 1996, we extrapolated the cost based on the rates proposed for 1997, 1998 and 1999. You will see that overall our costs will increase \$100,210.57. This figure accounts for the significant increase in costs at Lincoln Hills and a decrease in costs through Corrective Sanctions.

Obviously this creates a significant budgeting problem for us since there is no increase in Youth Aids, and my understanding via the grapevine is there may in effect be a decrease in Youth Aids.

I hope this provides you with the information you need to work with the County Board Supervisors in lobbying for budget changes through WCA. If I can be of any additional assistance or provide you with any additional information, please feel free to contact me at your convenience.

cc: Gene Lillge

POTENTIAL COST IMPACT of PROPOSED RATE INCREASES

1996 Days of Service	1996 Cost	CY 97		CY 98		CY 99	
		Rates	Proposed 1997 Cost	Rates	Proposed 1998 Cost	Rates	Proposed 1999 Cost
Jan - June	2,681 \$323,677.13		\$133.82 \$358,771.42	\$147.40	\$395,179.40	\$151.32	\$405,688.92
July - Dec	2,507 \$340,026.57		\$137.52 \$344,762.64	\$147.40	\$369,531.80	\$151.32	\$379,359.24
Total	5,188 \$663,703.70		\$703,534.06		\$764,711.20		\$785,048.16
Annual Change			\$39,830.36		\$61,177.14		\$20,336.96

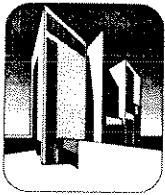
LINCOLN HILLS

CORRECTIVE SANCTIONS

Jan - June	459 \$39,708.09	\$82.11	\$37,688.49	\$69.16	\$31,744.44	\$62.81	\$28,829.79
July - Dec	408 \$35,882.07	\$77.75	\$31,722.00	\$69.16	\$28,217.28	\$62.81	\$25,626.48
Total	867 \$75,590.16		\$69,410.49		\$59,961.72		\$54,456.27
Annual Change			(\$6,179.67)		(\$9,448.77)		(\$5,505.45)

Under current law relating to community youth and family aids (generally referred to as "youth aids"), various state and federal funds are allocated to counties to pay for state-provided juvenile correctional services and local delinquency-related and juvenile justice services. DOC charges counties for the costs of services provided by DOC. This bill imposes new per person daily cost assessments upon counties for juvenile placements during the 1997-99 fiscal biennium as follows:

<u>Placement</u>	<u>7/1/97</u> <u>to</u> <u>12/31/97</u>	<u>1/1/98</u> <u>to</u> <u>12/31/98</u>	<u>1/1/99</u> <u>to</u> <u>6/30/99</u>
Juvenile correctional institution	\$137.52	\$147.40	\$151.32
Transfers from a juvenile correctional institution to a treatment facility	\$137.52	\$147.40	\$151.32
Child caring institution	\$160.22	\$161.79	\$163.36
Group home	\$111.16	\$112.25	\$113.34
Foster care	\$24.78	\$25.02	\$25.26
Treatment foster care	\$71.35	\$72.05	\$72.75
Departmental corrective sanctions services	\$77.75	\$69.16	\$62.81
Departmental aftercare	\$15.55	\$15.25	\$14.96



University of Wisconsin-Green Bay

Office of the Chancellor • Suite 810 • David A. Cofrin Library

2420 Nicolet Drive • Green Bay • Wisconsin 54311-7001

April 17, 1997

Dear Members of the Joint Finance Committee:

I appreciate the opportunity to provide written testimony on the 1997-99 biennial budget.

You can expect to hear much talk of tuition, faculty pay and educational quality in coming weeks. The spending plan includes a modest increase in the budget. It includes money for technology initiatives. It also includes — and this will be a major public-policy issue — provisions that would give the UW System Board of Regents the flexibility to keep faculty salaries competitive.

From my perspective, there is no greater need than a market-driven pay plan to recruit and retain the best faculty for our students. We recruit on a national level when we attempt to hire faculty, yet Wisconsin is one of only six states to have cut public funding for higher education over the last two years.

Belt-tightening has seen salary levels slip well below market.

The challenge is particularly acute at the University of Wisconsin-Green Bay. We are hiring many new faculty members, as the professors who helped found our university in the late 1960s and early '70s retire. Tellingly, we are not likely to achieve significant savings as a result of these transitions.

New faculty hired at the going rate often make nearly as much as veteran educators whose careers have included too many budget cycles when pay raises lagged behind inflation.

We require our faculty members to be productive in the classroom, but we also demand that they be active in their specialties, working in the community, engaged in research and public service. Our best researchers are often our best teachers.

What we're finding when we recruit to fill open positions is that we are increasingly at a competitive disadvantage. This is despite Green Bay's wonderful quality of life and the great name of our university. Not only do our top candidates command better salaries elsewhere, they enjoy greater opportunities for scholarly development, and they teach fewer classes.

Retention has been affected. We've lost talented young instructors to other institutions, many in Sun Belt states. That's part of doing business, but any business worth its salt recognizes when it is losing its competitive edge.

Other states and institutions are doing a better job of investing in their human capital.

The Regents — business and community leaders from across Wisconsin — recognize this threat to quality. They recommended the State fund a 4 percent annual pay increase in each of the next two years. Their action recognizes that faculty excellence in creating knowledge and helping students realize their potential has direct benefit for Wisconsin's economic competitiveness and quality of life.

The Governor's budget would allow the Regents to use tuition revenue to make up the difference if state appropriations fall short. This is a very real possibility, given the demand for state dollars. It would represent a shift from the State's long-standing practice of paying for two-thirds of instructional costs, including pay plan.

This approach will require somewhat larger tuition increases, but it is a direct investment in instruction. Students, alumni and employers tell us there's no greater factor in the quality of a university education than the quality of the faculty.

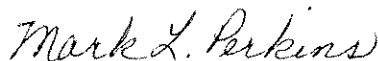
With a total tuition increase of 7 percent (about \$175 for a full-time Wisconsin resident at the University of Wisconsin-Green Bay), about 2 percentage points would be attributable to the pay plan. The relative ranking of our tuition, currently \$2,545 per year, would not change. It would remain below the national average of \$2,966 for four-year public institutions and \$12,823 for private colleges.

It is an excellent value. But it will be no bargain — for students, employers, or the State — if quality erodes and along with it the perceived value of a UW System education.

Slippage in quality can be gradual, incremental, almost imperceptible, but the direction over time is unmistakable. Salary increases similar to the 1 percent and 2 percent raises of the last two years would accelerate the slide.

The budget now before the Legislature appears to reverse that direction. It's a spending plan that recognizes the reality of what the UW System must do to sustain its excellent reputation. It deserves our support.

Sincerely,



Mark L. Perkins
Chancellor

MY NAME IS DICK KILLIAN AND I RESIDE AT W1262 KILLIAN DRIVE
KAUKAUNA, WISCONSIN.

I CAME HERE TODAY TO ENCOURAGE YOU TO SUPPORT THE ASSOCIATION OF
WISCONSIN SNOWMOBILE CLUBS EFFORT TO HAVE YOU TRANSFER 1.8 MILLION
OF GPR DOLLARS TO WISCONSIN'S STATEWIDE SNOWMOBILE PROGRAM. THIS
TRANSFER HAS ALSO BEEN REFERRED TO AS THE 1% SOLUTION.

I HAVE BEEN A MEMBER OF ORGANIZED SNOMOBILERS SINCE 1968, A TIME
WHEN SNOWMOBILING WAS LOOKED UPON AS A FAD THAT WOULD RUN IT'S
COURSE. INSTEAD, THE SPORT GREW AND NEEDED TO BE REGULATED. THIS
WAS ACCOMPLISHED IN THE EARLY 1970'S WHEN GOOD LAWS WERE PASSED
THAT INCLUDED SNOWMOBILE REGISTRATION TO PAY FOR DNR SNOWMOBILE
PROGRAM ADMINISTRATION, LAW ENFORCEMENT AND A STATEWIDE YOUTH
SAFETY EDUCATION PROGRAM CONDUCTED BY VOLUNTEER INSTRUCTORS AND
THIS PROGRAM CONTINUES TO EXIST. AT FIRST, WE CREATED OUR OWN TRAIL
GUIDE SIGNS AND PROGRESSED TO A UNIFORM TRAIL SIGNING PROGRAM.

AS THE SPORT GREW WE WERE GUIDED BY A LEGISLATIVE APPOINTED
SNOWMOBILE COUNCIL. THE SNOWMOBILING PUBLIC DEMANDED BETTER TRAILS
AND^e INSISTED THAT THE LEGISLATORS RAISE SNOWMOBILE REGISTRATION
FEES SO WE COULD MEET THESE DEMANDS. WE CREATED A FUNDING PROGRAM
TO PROVIDE A MAIN CORRIDOR TRAIL SYSTEM THROUGHOUT THE STATE. WE
PAID FOR REFLECTORIZED TRAIL SIGNS FOR SAFER NIGHT TIME SNOWMOBILING.
THE MORE THAN 600 VOLUNTEER SNOWMOBILE CLUBS INVESTED HEAVILY INTO
TRAIL GROOMING EQUIPMENT, TRAIL SIGNS AND POSTS AND WORKED WITH
STATE, NATIONAL AND PRIVATE LANDOWNERS TO CREATE A NETWORK OF 25,000
MILES OF PUBLIC TRAILS IN WISCONSIN. WITH THE COOPERATION OF THE
LEGISLATORS WE INITIATED A SNOWMOBILE GAS TAX TRANSFER TO HELP FUND
THIS EXPANDED TRAIL SYSTEM. WE IMPROVED THE GAS TAX FORMULA TO
ACCOUNT FOR OUT OF STATE SNOWMOBILERS WITHOUT THE NEED FOR THE STATE
TO ISSUE PERMITS AND BEAR THE COSTS OF A COMPLICATED PERMIT SYSTEM.

OUR SNOWMOBILE PROGRAM HAS GROWN FROM A NEW FAD RECREATION TO A SOLID STATEWIDE WISCONSIN INDUSTRY. THE VOLUNTEERS ARE GETTING TIRED AND THE FUNDING IS RUNNING DRASTICLY SHORT OF IT'S GOALS. WE NEED FINANCIAL HELP AND A 1.8 MILLION DOLLAR TRANSFER WOULD ALLOW THE STATE TO PAY FOR IT'S MANDATED SNOWMOBILE PROGRAM ADMINISTRATION AND DNR ENFORCEMENT AND WE COULD USE OUR REGISTRATION AND GAS TAX DOLLARS TO MAKE A MUCH SAFER WISCONSIN TRAIL SYSTEM.

THANK YOU.

Dr. Beverly C. Carmichael
2168 Birch Creek Road
De Pere, Wisconsin 54115
(414) 339-5280

TESTIMONY

April 17, 1996

My name is Dr. Beverly Copeland Carmichael. I am currently a member of the UW-Green Bay Board of Visitors. I live in De Pere with my husband Don and my 7 year-old little girl named Hope. I have a step daughter who is a sophomore in college out of state. Although I do not work outside the home right now, my background is in higher education and strategic planning. Having a doctorate, I am considered "Dr. Mom", and am enjoying serving our community on several local charitable boards. I am also currently serving as President of the National Accreditation Council for Agencies Serving the Blind and Visually Handicapped, and I tell you that to emphasize my commitment to excellence. As you are probably aware, it is our mission to uphold standards of excellence in the agencies and institutions which we accredit.

When my family and I moved here three & 1/2 years ago, I was most impressed with the University of Wisconsin - Green Bay, as well as with the state university system. Outside of Wisconsin, the state university system has an excellent reputation. Frankly, one reason we were OK with our move from the nice warm weather in Florida to this land of Badgers and Packers was the great reputation of the school system in Wisconsin. At this time, we are quite pleased with the public elementary school where my daughter goes to first grade.

We were also pleased to move to Green Bay because it is a wonderful place for families and it is the second fastest growing region in the state with several Fortune 500 companies (that is especially important to my husband as well, as his business success depends upon a vibrant and growing economy).

I am much impressed with how the UW-Green Bay is working with local schools and the community on their partnership for learning project.

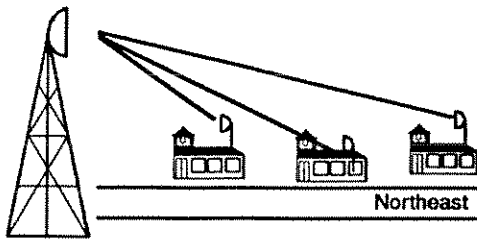
UW-Green Bay is a vital part of this region of Wisconsin, and we need to invest resources in UW-Green Bay and University of Wisconsin system statewide, so that

it can continue its high standards of excellence in higher education. Excellence is not achieved without a price, however.

UW-Green Bay will be losing many faculty and staff through retirement over the course of the next ten years. It will need to pay competitive salaries to recruit and retain outstanding faculty. If we can't maintain competitive salaries in the University of Wisconsin system, we can't continue to get the best faculty and staff. It is that simple...

I was most concerned to learn that Wisconsin is one of six states that has cut university funding during the past two years. Again, we cannot maintain excellence without being willing to pay for it. The 105% discretionary authority for the Board of Regents is important and will help the University to recruit and retain outstanding faculty and staff who can maintain our high standards of excellence. Being a parent of a potential University of Wisconsin student, I am especially interested in maintaining an excellent university system with quality learning experiences.

Thank you for listening to me today. I appreciate this opportunity to speak with you and to voicing my concerns.



NEWTEC/CESA #7

1331 Packerland Drive
Green Bay, WI 54304
414 492-2678
FAX 414 492-2728

Northeast Wisconsin Telecommunications Education Consortium/CESA #7

Joint Finance Committee Testimony
April 18, 1997
DePere, WI

Good morning, my name is Roxann Nys and I am the director of NEWTEC, Northeast Wisconsin Telecommunications Education Consortium, the distance learning agency of CESA #7. A listing of our member districts is attached. Thank you for this opportunity to testify before you and a special thanks for taking this testimony via compressed video and making it so convenient for me.

The governor's recognition of the importance of technology, especially to education, in the TEACH Wisconsin initiative is to be applauded. Clearly, TEACH Wisconsin will go a long way toward ensuring that school districts have access to educational technologies. However, there are several aspects of that proposal over which I feel compelled to express my deep concerns.

First, I am concerned about the proposal in TEACH Wisconsin to move the distance education related positions of the Educational Communications Board from the ECB to the TEACH Board. Although the positions are proposed to move, I did not read clearly that the responsibilities move with them. Those responsibilities are critical to the success of existing as well as new networks in our state.

NEWTEC is currently involved in planning to expand its distance learning network by becoming a member of the East Central Alliance for Distance Education, or ECADE. The ECB, along with its distance education consultants, have provided ECADE with invaluable assistance during our planning process. A grant from the ECB made it possible for ECADE to begin the initial engineering and planning necessary. The Distance Education Technologies Standards Forum, managed by the ECB, has provided us with access to important technological information which has helped us sort out the myriad of choices available to us to enable us to make the best possible decisions as we move toward implementation of the ECADE network. Finally, the ECB, through the Forum for Wisconsin's Distance Education Network Directors, is guiding us through the complex issues regarding interconnectivity, especially those of internetwork scheduling. To those of us involved in ECADE, all of these services have been critical in bringing ECADE to the point where we hope to be an operational network by fall of 1998. I don't believe that our planning would have been able to move forward as it has, without the consulting and coordination service that have been provided to us by the ECB. These kinds of services are crucial to the success of inter-institutional planning efforts like ECADE's, and it is important that these services not be lost in the transfer of ECB's positions to the TEACH Board. I would also like to add that the people who are currently providing those services are some of the best this state has. I believe that if we lose them in the proposed move, it will indeed be a setback to the process of developing the seamless statewide network that is part of the Governor's vision for Wisconsin, a vision which I share.

My second concern regarding the TEACH Wisconsin proposal also comes as a direct result of NEWTEC's planning with the institutions involved in ECADE. These include primarily post-secondary institutions: Fox Valley Technical College, Lakeshore Technical College, Moraine Park Technical College, UW Oshkosh, and UW Stevens Point. NEWTEC member school districts have expressed a desire to interconnect with these postsecondaries in order to better serve both their staff and their students as well as for their communities. Financially, it is as difficult for postsecondaries to be able to fund these interconnects as it is for school districts. Therefore, I believe that all public educational institutions should have subsidies available for the \$250 per month rate for access to video and data links.

Staff must be able to access continual training in order to keep up with and be able to integrate sound educational research as well as current and upcoming technologies into their curriculum to further enhance school improvement efforts. CESA's have offered, and with additional funding proposed by TEACH Wisconsin, and will be able to increase their offerings of staff development in both of these areas, but our postsecondary institutions also have an important role in this training. Students need to be able to more fully take advantage of the Postsecondary Enrollment Options Program. Community members are also in need of continuous training. Lifelong learning is no longer just a term, but a necessity. By interconnecting with our region's postsecondaries, NEWTEC's member districts would be better able to meet all of these needs without requiring travel, which is often difficult and sometimes, with our winters, even dangerous. With current telecommunications capabilities, why move people when, we can move information?

In order to ensure that interconnectivity between school districts and postsecondary institutions becomes a reality, for ECADE as well as for other future distance education collaborative networks, the TEACH Wisconsin proposal must include subsidy funding for postsecondary institutions to cap the monthly costs of accessing data and video lines at \$250, just as is being proposed for school districts, so that postsecondaries can afford their end of these important networks.

Finally, I have a concern in regard to the block grants for school districts proposed in TEACH Wisconsin. I have served as a grant reader for three rounds of competition for Educational Technology Board Funding. As part of its requirements, ETB has asked all applicants to submit a comprehensive technology plan in order to be considered for funding. In my reading, I have come to realize the importance of solid planning by school districts around the implementation and use of technology. In some of the applications I read, I found strong evidence of that planning, but in many, I did not. If the ETB is to be eliminated and its responsibilities transferred to the TEACH Board, please be certain that the requirement of a strong, clear technology plan from each district receiving block grant funds be transferred also. For valuable dollars to be used wisely, careful and thorough technology planning must take place. The TEACH Wisconsin proposal seems to address this need, but not as clearly as it might.

I hope that you will seriously consider these concerns. They are shared with you today in the sincere hope that they will help TEACH Wisconsin, which I believe is a basically good proposal, become an even better one.

This concludes my testimony. I thank the committee for listening and would be happy to answer any questions you may have.

Respectfully submitted,

Roxann Nys, Director

NEWTEC/CESA #7
Member Districts
1996/97

Denmark
Freedom
Gibraltar*
Green Bay
Kewaunee
Kiel
Little Chute
Luxemburg/Casco
Manitowoc
Marinette
Mayville
New Holstein
North Fond du Lac
Oakfield
Randolph
Random Lake
Reedsville
Ripon
Wrightstown

*cannot currently receive NEWTEC signal

(1)

For Wisconsin 1997-99 Budget

Hearings - April 17, 1997

My name is Don Pagel, a retired person from Green Bay Wisconsin.

As a retired person, I am concerned about the future of our State. Our Children are our future!

Development & Education of our children is our responsibility.
(for the future of our State.)

There is a serious glitch in the proposed governor's budget regarding education, a glitch that can be fixed or corrected inexpensively.

165

The proposed budget calls for accelerating the use of technology in our schools. An Excellent idea! However the proposed budget does not allow for providing 150,000 students in some 900 non-public schools ACCESS to this technology. That is 15% of our school children.

I am asking for 3 Changes in the proposed budget.

(1st) Inclusion of non-public schools so they may have Access to the educational

technology at the same low
rate as public schools. I am
not looking for funds for non-public
schools, I am asking for access
to technology at the same rate
as public schools will pay. The
language of the budget bill ought
to be clarified ~~to include~~
to allow for the inclusion
of ~~all~~ students, after a year
over public schools.

Q² I am asking for the
Inclusion of non-public
schools in the program which

allows school to lease educational technology. The budget bill's language must be clarified to allow for this inclusion.

③ The proposed budget proposes a governor appointed board to oversee the implementation of ~~the~~ Wisconsin's educational technology initiatives. This board is known as TEAWB (Technology for Educational Achievement in Wisconsin Board).

(5)

a representative from Non-Public
K-12 schools must be included
on This board to ensure
equitable representation of the
15 % of Wisconsin children in
non-public schools. The Budget
Bill's language must assure this.

Respectfully submitted

Don Payer

525 Saratoga St

Green Bay, WI 54303

(414) 499-8251



Lakeshore Oil & Tire
Company, Inc.

The Quality Choice

W.P. SPRINGER

Corporate Office
P.O. Box 876
Manitowoc, WI 54221-0876

W.P. SPRINGER
President
Bus: (414) 686-0976
Fax: (414) 686-0876

Comments about Gov.
Thompson's Budget Bill

I was unable to stay for the entire hearing due to time pressures of business. I am a petroleum marketer and own underground tanks. I am concerned that the Petroleum Environmental Clean-up Fund (PECFA) contains costs and provides coverage that meets federal standards for storage tanks.

I am concerned that the Governor's Budget has provisions which make significant changes. Also of concern is a provision NOT contained in the Budget. Our industry needs an extension of the \$1 Million PECFA coverage until the year 2001.

2

By extending PECFA coverage
until 2001, an extension
NOT expansion is made
available. Until a site is
cleaned up to DNR
specifications, no insurance
will cover the cleanup or
ensure the property to
federal specs.

This is very important.
I am not asking for
money - we already
pay 3 cents on every
gallon. All we ask is
reasonable clean-up
standards and an extension
of PECFA until 2001.

Allepung

April 23, 1997

To: The Joint Finance Committee,
and the 97-98 Budget Bill.

I was at the Cheppewa Valley Technical Institute on Tuesday, April 22nd to testify before the Committee - but I was unable to do so because of time. They didn't have time to hear me.

I believe what I have to say is very important. It deserves to be heard so I'm writing you my testimony.

I am Betty Kollhoff and I volunteer through the Retired and Senior Volunteer Program of Western Dairiland. I am here to ask you to support an increase in funding for the Wisconsin Retired Senior Volunteer Program.

This program provides opportunities for people age 55 and over to find meaningful involvement in their communities through volunteer service. RSVP involves older adults in service that matches their personal interests and utilizes their skills and lifelong experiences to benefit the community.

Last summer I talked to my adult service worker and told him I needed

7. Something that would get me out of my apartment and involved in the Community again.

I have Crippling Arthritis and in the winter of 95 & 96 I was confined to my apartment almost all winter. Then in April I suffered a heart attack, another in June. I felt I didn't have any purpose or meaning for being alive. I did not feel good about myself, and I knew I had to do something to turn my life around. In a people person and I needed to be with people, to be needed, and to feel worthwhile again.

Within two weeks I was contacted by the Staff of R.S.V.P. Program, interviewed, given information about R.S.V.P. and sites that could use my skills. Today I am happy to report that I am a Volunteer with the Division of Motor Vehicles.

At the D.M.V. I greet the people as they come in, ask if I can assist them. I provide them with the proper forms, explain the forms and help them with the forms if they need help. Check forms they have filled out to make sure they are correct. I direct them where to go.

4 I answer scores of questions, hand out pamphlets, booklets, forms. I try to make the work easier for the Counter People and a lot less hassle for the people themselves. I thoroughly enjoy what I'm doing!

The program not only placed me in a site that could use my skills, but covers me with insurance, so an accident will be covered.

It is very important to think seriously about providing useful, constructive roles for Older persons such as myself. As you have probably heard, seniors who are active through volunteering remain healthier longer and are not as likely to become dependent on society for their care.

Volunteering through the R.S.V.P. program of Western Maryland has given me back my dignity, my self respect, I feel younger and happier than I have in years. I will be 69 in June and I am contributing to Society. It makes me proud.

I feel I'm giving back to the community some of what I have received since becoming disabled.

I am in an electric scooter but you will always see me with a smile on my face and a cheerful word for everyone. I owe it all to the Western Maryland

" Volunteer program. It has changed my life. It can for others to.

Thank you for your time and support which we hope you will increase, as it is desperately needed! Please do make a commitment to keep our wonderful program. Thank you again.

Betsey Kohlhoff
815 Chapin St. Apt. 224
Eau Claire, Wis. 54601

SUNDAY, March 9, 1997
Leader-Telegram

Volunteers

Kindness brightens lives

Women's help ranges from warm greeting to disaster assistance

March's Volunteers of the Month are Betsey Kohlhoff of Western Dairyland's Retired and Senior Volunteer Program and Joy Hoffman of the American Red Cross.

Through Western Dairyland's Retired and Senior Volunteer Program, Betsey Kohlhoff of Eau Claire donates 70 to 85 hours a month to the Department of Motor Vehicles in Eau Claire.

Kohlhoff isn't just a volunteer who puts in her time, said Don Schultz of the DMV. "Betsey is a part of our team."

What really makes Kohlhoff stand out is her attitude and excellent worker traits, Schultz said. Despite a physical disability that makes it a challenge for her to get around, Kohlhoff is energetic and cheerful as she goes about her work.

Kohlhoff's duties include greeting and directing customers, answering general questions, handing out appropriate forms and providing directions or assistance in completing the forms.

Schultz describes Kohlhoff, a retired senior, as a godsend and reports customer service is greatly improved on the days she works — Mondays, Tuesdays and Thursdays. Kohlhoff saves customers time, and she goes out of her way to make the DMV reception and waiting area user-friendly. Via comment cards the public has expressed its appreciation for Kohlhoff and the work she does.



Kohlhoff

Volunteers of the Month

She was assigned to the DMV in September 1996. Kohlhoff explained she volunteers because it provides her with a purpose, and she gains a lot of personal satisfaction from it. She enjoys volunteering through RSVP because the "RSVP staff makes you feel important and like you are worth something," she said.

Kohlhoff has been an active volunteer in one capacity or another for more than 50 years. When she is not volunteering, Kohlhoff writes "gobs" of letters, bakes and rides around on her motorized scooter. She loves cats and is proud of her children and many grandchildren and great-grandchildren.

This was a write up about me in the paper.



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Wisconsin Council on Developmental Disabilities
"Supporting People with Developmental Disabilities in Wisconsin"

HEARING

Senator Burce's Staff.

Please distribute this
testimony to all members
of Joint Finance. Thank
you very much!

Chris Thomas-Cramer
266-0979

5 Staff to WCDD and the
Council on Physical
Disabilities.]

Joel Milw.
Rodney Hearing

722 Williamson St. • PO Box 7851 • Madison, WI 53707-7851
Voice 608/266-7826 • TTY 608/266-6660 • Fax 608/267-3906



State of Wisconsin Council on Physical Disabilities

722 Williamson Street
P.O. Box 7851
Madison, WI 53707-7851

(608) 266-9667
Fax: (608) 267-3906

Date: April 8, 1997

To: Senator Brian Burke, Co-Chairperson
Representative Scott Jensen, Co-Chairperson, and Members
Joint Committee on Finance

From: Joel Rodney, Chairperson

Re: Senate Bill 77/Assembly Bill 100

Senator Burke, Representative Jensen, Ladies and Gentlemen, my name is Joel Rodney and I have the privilege of chairing Wisconsin's Council on Physical Disabilities. On behalf of the 300,000 of us who experience physical limitations on one or more of their daily life activities, I want to thank you not only for allowing me to testify before you today, but for your action in establishing this Council in 1990, and for creating similar bodies to represent Wisconsinites who face sensory, cognitive, and affective impairments.

This system of councils is unique to Wisconsin, and they truly are the vehicle for ensuring that the more than one half million of us who are represented by all of them are full participants in the political life of this state.

As part of its statutory responsibilities to advocate on behalf of individuals with physical disabilities, the Council has identified key issues in the 1997-99 biennial budget request which directly impact the population we serve.

Repeal of the Home Care and Community Care Caps:

The Council is grateful to Governor Thompson for proposing to repeal the caps on services provided by Medical Assistance and the Community Options Program. The caps caused a great deal of hardship, uncertainty, and anguish for individuals with severe disabilities who were faced with the prospect of being forced to enter a nursing home. We are encouraged that Governor Thompson considered the needs and desires of these people to continue living in their own homes in their own communities.

Community Options Program (COP), COP-Waiver, and Community Integration Program II:

The Community Options Program and the Medical Assistance Home and Community-Based Waiver programs enable individuals with physical disabilities to live independently. Regrettably, well over 1,700 individuals with physical disabilities were on waiting lists for COP as of December 31, 1996. Although the Council appreciates the Governor's proposal to fund an additional 800 placements over the biennium, the Department of Health and Family Services (DHFS) had requested a total of 2,471 additional placements. The Council on Physical Disabilities makes the following recommendations to you:

- Provide funding for the immediate elimination of the current waiting list.
- Reinstate the statutory language authorizing the transfer of funds saved from the Medical Assistance nursing home budget to COP.

Independent Living Centers:

Wisconsin's eight independent living centers provide a wide range of services which

promote and foster the independence of individuals with disabilities. Governor Thompson is proposing to level fund these centers. However, these centers have not received funding increases since the 1989-1991 biennium. Inflation and the growth of our population have both seriously eroded the level of services that the centers are able to provide. The Council on Physical Disabilities asks you to consider the following recommendations:

- Increase the base funding of each center from \$224,064 annually to a minimum of \$300,000 annually.
- Provide inflationary adjustments of 3.5% each year of the biennium.
- Further increase funding for the centers serving significantly larger populations in northeast Wisconsin and in metropolitan Milwaukee, or that you authorize the establishment of additional centers in these areas.

Medical Assistance Co-Payments for Services:

Governor Thompson is proposing to increase the co-payments that consumers pay for Medical Assistance services, and to establish a co-payment for specialized medical transportation. The estimated savings to be realized from these impositions is \$2.1 million over the biennium. The Council does not believe that these minimal savings justify the pain and hardship that would be experienced by persons with disabilities should these measures be enacted.

The Council on Physical Disabilities asks you to please:

- Maintain the current Medical Assistance co-payment schedule and oppose both increasing existing co-payments and establishing new ones.

Specialized Transportation:

The Department of Transportation allocates funds to counties under the Elderly and Disabled Transportation Program, known as the 85.21 Program. Wisconsin's counties use these funds to provide their elderly and disabled citizens with transportation to medical appointments, work sites, school, grocery stores, and other necessary venues. This program plays a vital role in maintaining the independence of persons with disabilities and the elderly. Unfortunately, this worthy program is underfunded and does not meet the level of need, especially in the rural areas of the state.

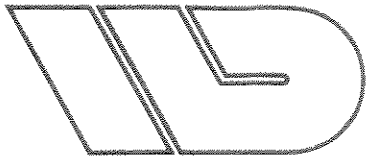
The Council is pleased to note that Governor Thompson is proposing a 3% increase for this program in each year of the biennium. This will add \$172,500 in 1997-98, and \$350,000 in 1998-99. However, in 1994-95, the Legislative Council recommended that the 85.21 Program be increased by \$16 million.

The Council on Physical Disabilities asks that you support this recommendation:

- Increase the 85.21 Program's funding by \$16 million over the biennium.

Thank you for your consideration of the Council's positions and of the needs of those of us with physical disabilities who wish to remain independent and contributing citizens of our state. At a time when Wisconsin's businesses and industries are searching for workers, the investments we are asking you to make today will open up a new source of dedicated and grateful employees whose full inclusion in our society will benefit us all.

If you have any questions, please contact either Jayn Wittenmyer, Interim Executive Director, or Chris Thomas-Cramer, Governmental Affairs staff, at (608) 266-9667.



Western Dairyland
Economic Opportunity Council, Inc.

P.O. Box 45
Independence, WI 54747
(715) 985-2391
1-800-782-1063
FAX (715) 985-3239

April 23, 1997

Senate Sergeant-At-Arms
Joint Finance Committee
Room 109-LL One East Main
P.O. Box 7882
Madison, WI 53707-7882

Dear Committee Members:

I was at the Joint Finance Committee Meeting in Eau Claire, but our group was not able to testify because it was getting late and they were not accepting anymore oral testimony. However, we were happy that the Joint Finance Committee was conducting hearings in Eau Claire so people in this area were able to voice their concerns.

Since our group was not able to testify, I would like to ask for your support and help in getting an increase in state funding for The Retired and Senior Volunteer Programs of Wisconsin. There are sixteen programs in the state covering twenty-eight counties. Over 10,000 volunteers contribute 1,400,000 hours of service annually. The programs receive \$413,854 in state funds. There have been no increases since 1988. Federal funds have not kept pace with inflation; and have not allowed for program expansion within existing programs or into new areas in the state.

RSVP state-wide raises a minimum of 30% of program costs locally, but is in need of state assistance to avoid serious cutbacks in service and to allow for expansion; and development of new programs. This year, the State RSVP Staff Association will be requesting an increase in funds to help existing programs and to expand into additional counties.

With 1,064,747 people age 55 and over and the number is expected to increase 8% to 1,153,642 by the year 2000 in Wisconsin, the state has an opportunity to utilize a cost-effective program like RSVP to capitalize on this resource. We cannot forget how volunteering benefits the volunteer, as studies have shown that people who volunteer are healthier, happier and are providers rather than recipients of service.

We need your support and help to obtain these needed funds. Enclosed you will find information on the funding we are requesting

James W. Schwartz, Executive Director

Your Community Action Agency Serving: Buffalo, Eau Claire, Jackson, and Trempealeau Counties since 1966

for the RSVP Program. Included in that information, is also information about the Senior Companion Program since the DHSS Statue 46.85 covers both programs. Would you please support our efforts?

Thank you for your continued interest and support.

Sincerely,

A handwritten signature in cursive script that reads "Angie Wiersgalla". The signature is written in dark ink and is positioned above the printed name and title.

Angie Wiersgalla
RSVP Director

RSVP/SCP
Request for \$837,500 Increase in
State Supplemental Funding

(DHSS Statute 46.85)

January, 1997

Retired and Senior Volunteer Program

Current Status of RSVP Projects

Number of Projects: 16 serving 28 counties in Wisconsin

Federal funding: \$671,180

State funding: \$413,854

Other funding: \$600,000

According to reports from Wisconsin's RSVP projects, additional state funding could generate 780 new volunteers and 100,000 additional hours of service. New or expanded intergenerational initiatives could include: school tutors, BABES (Beginning Alcohol and other Addictions Basic Education Studies) puppet program, and Triad (crime prevention). New or expanded long term care initiatives could include: peer counseling, telephone reassurance, guardianship, home delivered meals, friendly visiting and in-home chore service.

RSVP Additional Request

1. Current Projects:

\$15,000 per project (16 projects)	\$240,000
\$ 7,500 per county in multi-county projects (4 projects, 3 counties each x \$22,500)	\$ 90,000

2. Expansion-current projects into contiguous counties:
(long range goal of expansion to all counties)

10 counties added at cost of \$20,000 per county	\$200,000
--	-----------

3. Expansion-add 2 new projects at cost of \$40,000 each	\$ 80,000
---	------------------

RSVP total: \$610,000

Senior Companion Program

Current Status of SCP Projects

Senior Companions are low income persons, age 60 and over who receive a stipend of \$2.45 per hour and volunteer 20 hours per week with homebound older adults. They provide person-to-person services to assist people to remain in independent living situations and reduce the need for being institutionalized.

State funding:

\$87,346	Supports 16 state companions plus 60 federal companions (total 76) serving up to 400 clients throughout Milwaukee County
\$10,000	Supports 41 senior companions with travel needs at Great Lakes Intertribal Council

SCP Additional Request

1. Current Projects:

Add 10 companions @ \$3,500 each to two existing projects (Milwaukee Project and Great Lakes Intertribal Council (\$3,500 x 10 x 2 projects)	\$ 70,000
--	-----------

Add 5 companions to non-federal project in Janesville (\$3,500 x 5)	\$ 17,500
--	-----------

2. Expansion-current projects into counties with greatest need (i.e. per cent of low income older adults who qualify to be companions plus client population)

Add 20 companions @ \$3,500 each to two existing projects (Milwaukee Project and Great Lakes Intertribal Council) (\$3,500 x 20 x 2 projects)	\$140,000
---	-----------

SCP total: \$227,500

Grand Total (RSVP and SCP): \$837,500

Good Afternoon. I am Patricia M. Hobbins-Kemps, and am speaking in regard to the Southeast Asian refugee population for information only.

WISCONSIN REFUGEE RESETTLEMENT BACKGROUND

The state of Wisconsin has experienced a continuous and heavy influx of Southeast Asian refugees over the past 20 years. According to the Southeast Asian Refugee Population map of Wisconsin (see attachment), formulated by the State Department of Refugee Assistance, the Wisconsin Southeast refugee population is 47,232 as of December 1996 and is comprised of Vietnamese, Laotian, Cambodian and Hmong families.

Primary and secondary resettlement has had a tremendous local impact upon the ability of Wisconsin communities to provide essential services to refugees. Hmong refugees, representing 80 percent (38,094) of the total refugee population, currently maintain a welfare dependency rate of over 30 percent and, therefore, heavily participate in the welfare programming of their respective communities. (DHSS, 1996)

LOCAL IMPACTS DUE TO REFUGEE POPULATION CONCENTRATIONS

Of the four Southeast Asian refugee groups, the Hmong and Cambodian refugees generally apply for public assistance when they first arrive in Wisconsin. Significant resettlement problems include:

1. large family size, on average 5.5 persons,
2. agrarian cultural background with skills that do not transfer readily to a post-industrial economy,
3. little or no formal education, including lack of English language proficiency, and
4. high rates of poverty with a welfare dependence rate of over 30 percent.

Thus these families can easily become trapped on a welfare-dependent life style. And the local impacts do not stop with the costs of public welfare. Schools, health care facilities and housing are also severely strained by increasing refugee resettlement.

If categorically eligible under our state plan, the refugee family is assigned to Aid to Families with Dependent Children (AFDC) upon arrival. Currently, over 30 percent of the state's refugee population is welfare dependent.

Wisconsin Works (W-2), Governor Thompson's program for welfare reform, was signed into law on May 1 of 1996. W-2 marks a major change in welfare policy as it attempts to help families with children by replacing their current cash assistance with employment.

This reform plan will have a significant impact on the state's Southeast Asian refugee population for the following reasons:

- *the proposed wage package of W-2 sets a flat income at or below minimum wage--regardless of family size;
- *a remedial or post-secondary education and training component is no longer available;
- *about 88 percent of all refugees are dependent on Medical Assistance for their health care, which will become an employment-related benefit; and
- *Poverty. Wisconsin Southeast Asian children **currently** have the highest child poverty rate in the nation.

Overall, there are approximately 58,000 legal, foreign born residents of Wisconsin who have not naturalized. **Federal** welfare reform will cut off food stamps and SSI benefits for legal immigrants, including refugees who have been in the United States more than five years. In Wisconsin, an estimated 7,200 will lose food stamps by April 1997 and more than 4,600 may lose SSI by September of this year. This represents a loss of at least \$27 million annually in federal funds in Wisconsin.

The SSI recipients will be most severely impacted, but even W2 recipients who lose food stamps will experience approximately a 50% cut in income. Because Wisconsin eliminated most of its cash general relief, many of the elderly and disabled will have no alternative means of support.

The federal law changes extend well beyond the elimination of SSI and food stamps to include virtually all federal means tested benefits. This will further destroy the safety net by eliminating this population from low-income housing, Low Income Home Energy Assistance Payments and other benefits.

There exists a real potential for suicide among the Southeast Asian dependent population, in fact Wisconsin has already experienced 2 such cases. Wisconsin can take several steps to relieve some of the impact from lost SSI and other benefits:

- * replace lost federal benefits. Replacing food stamps would cost \$5.07 million, maintaining the current state supplement would cost \$5.48 million and replacing lost SSI payments would cost \$22.08 million.

- *maximize state coverage of aliens eligible for W2. Remove the 60 day residency requirement for migrants. Provide migrant workers with access to job access loans, up to the amount they could repay with their Wisconsin employment.

- *allow the second wage earner to earn a second W2 position grant.

*allow W2 recipients who do not qualify for food stamps to earn a bonus to replace the lost stamps.

*assist immigrants in obtaining citizenship. Because of the widespread impact of welfare reform, this could be the most effective long-term solution. Four states are already begun this process. Given Wisconsin's surplus in TANF funding as a result of lower than expected W2 caseloads, we have the funding to engage this process.

INDOCHINESE REFUGEE POPULATION IN WISCONSIN

DECEMBER 31, 1996

C = CAMBODIAN 801

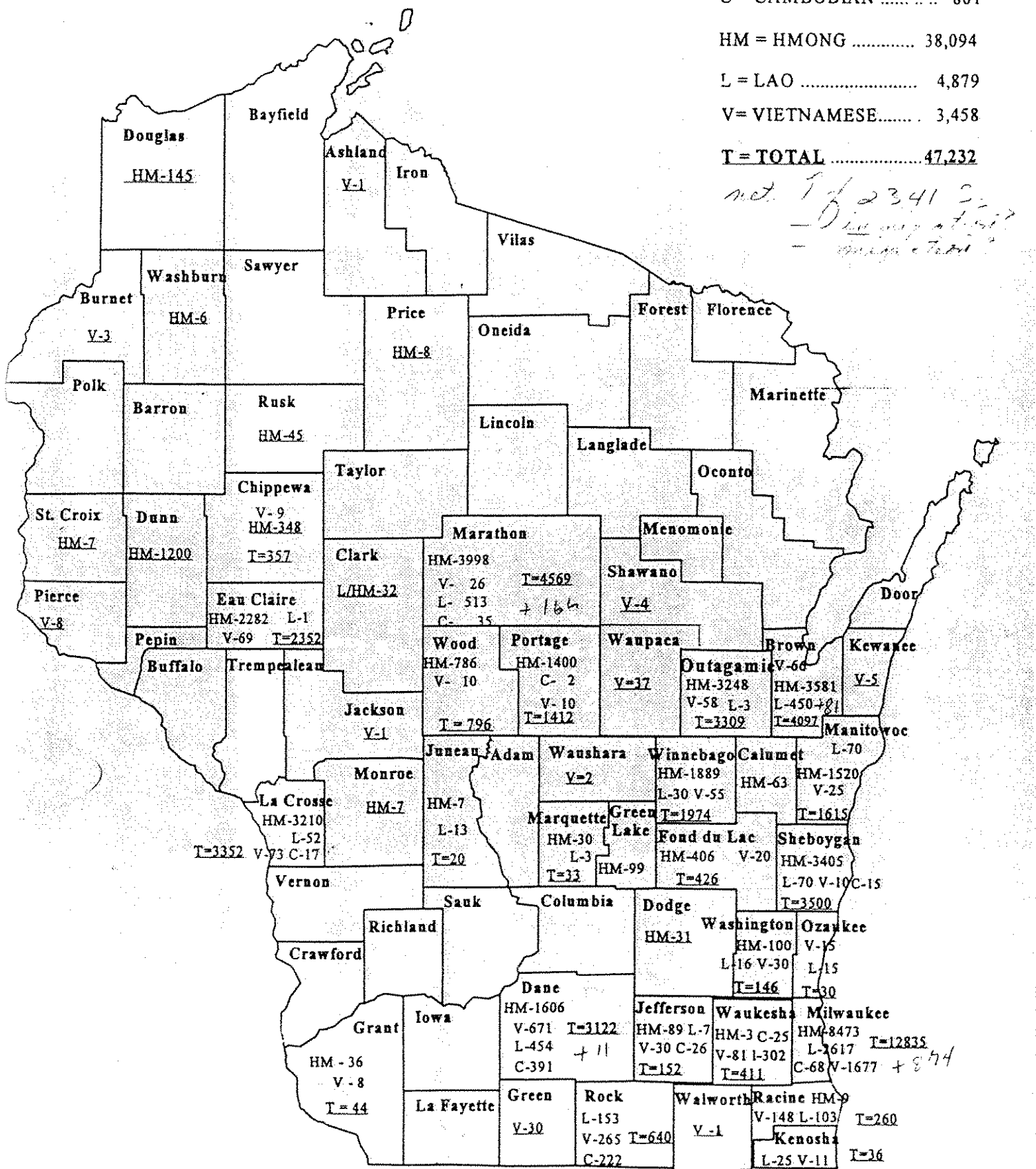
HM = HMONG 38,094

L = LAO 4,879

V = VIETNAMESE 3,458

T = TOTAL 47,232

*net. T of 2341 2-
- Did any of them?
- maybe + 200?*



Chair
David B. Fish
Chippewa Falls

Chair-Elect
Mark A. Knight
Milwaukee

Immediate Past Chair
Daniel J. Hymans
Ashland

President/CEO
Robert C. Taylor

STATEMENT TO JOINT FINANCE COMMITTEE

By
David Albrecht, Chief Operating Officer
Bellin Hospital
Green Bay Wisconsin
Thursday, April 17

Health Insurance Risk Sharing Plan (HIRSP)

Introduction

The state budget proposes to fund HIRSP with more than \$18 million in hidden taxes on hospitals and physicians.

WHA believes that this change represents a "solution" to the rising cost of HIRSP, which penalizes providers, give financial breaks to insurers and does nothing to help improve the quality of health care for HIRSP enrollees.

Explanation of Budget Provisions

The budget proposes to reimbursement health care providers who serve HIRSP participants at the Medicaid rate. Currently, they are reimbursed based on discounted charges, usually in the range of 70-80%. In recommending this change, the Department estimated that the cost would be \$8.7 million, annually. WHA estimates that the change will be much more costly to hospitals and physicians, possibly as high as \$18 million.

Under current law, HIRSP is funded with a combination of premiums, state subsidy, provider discounts and insurance assessments. All of these funding mechanisms are open, above board and quantifiable. With the budget proposal, all funding sources will shrink, except for providers whose costs will increase disproportionately by creation of a hidden tax.

It is important to remember that this proposal does not bring the HIRSP enrollees into the Medicaid program. It only uses the Medicaid reimbursement schedule for paying providers. Therefore, HIRSP enrollees will neither receive the full Medicaid benefit package as a result of this bill nor will they get the benefit of low co-payments and no deductible, both of which are available to Medicaid clients. HIRSP enrollees will still have to pay sizable premiums and deductibles of \$2,000 per year before they can receive benefits.



Wisconsin Health &
Hospital Association, Inc.

5721 Odana Road
Madison, WI
53719-1289

608/274-1820

FAX: 608/274-3554

<http://www.wha.org>

Impact on Hospitals and Physicians

For hospitals, this change will lower reimbursement for HIRSP enrollees from 80% to 55% of charges for inpatient care and to 44% for outpatient care. That translates into a cut of \$10.5 million. And remember that hospitals are already contributing \$7 million annually through discounts. For physicians, this bill will lower reimbursement from 72% of charges to 38% for a loss of \$8 million.

Since almost all hospitals serve some HIRSP enrollees at some time, all would be affected.

The Broader Context

To appreciate the full impact of this new tax on health care, it is helpful to understand the cumulative effect of several budget changes relating to state supported health care programs. As proposed in this budget, hospitals would receive a 2.1% increase in Medicaid for 1997-1998. This amounts to \$5.1 million, all funds. However, the budget proposes to tax hospitals an additional \$10.5 million for HIRSP. The combined result of these two changes is a net loss of \$5.4 million in just one year to fund services to our most vulnerable patients.

Recommendation

No one will deny that the HIRSP program needs evaluation and refocusing. That is why the Legislature last session asked OCI and DHFS to develop detailed recommendations, including how to incorporate true managed care into the program. This budget recommendation falls far short of that goal. It does little to address concerns about HIRSP costs, access or management. Instead, it simply pushes the issue under the rug with a hidden tax on providers. We believe that HIRSP clients deserve better.

WHA recommends that the Finance Committee remove this new funding approach from the budget and set in motion a comprehensive review of HIRSP that will fairly serve all parties concerned.

HIRSP Analysis Estimated Payment Reduction Summary

Inpatient Payment Reduction	\$7,008,556
Outpatient Payment Reduction	\$3,551,146
Physician Payment Reduction	<u>\$7,564,754</u>
Total Reduction	\$18,124,456

Inpatient Payment Reduction
Individual Hospitals of Note:

	<u>HIRSP Payments</u>	<u>HIRSP Payments Under MA System</u>	<u>Loss</u>
UW Hospital - Madison	\$ 1,315,148	\$ 733,383	\$ 581,765
St. Lukes - Milwaukee	\$ 1,847,616	\$ 757,304	\$ 1,090,312
St. Josephs - Marshfield	\$ 1,151,196	\$ 714,192	\$ 437,004
Froedtert - Milwaukee	\$ 662,408	\$ 340,216	\$ 322,192
Meriter - Madison	\$ 470,005	\$ 220,406	\$ 249,599
Lutheran - LaCrosse	\$ 520,817	\$ 305,400	\$ 215,417
St. Vincent - Green Bay	\$ 384,758	\$ 291,038	\$ 93,720
St. Marys - Madison	\$ 520,230	\$ 440,389	\$ 79,841
Waukesha	\$ 374,930	\$ 193,689	\$ 181,241
Columbia - Milwaukee	\$ 1,108,510	\$ 727,460	\$ 381,050

April 22, 1997

Wayne Krueger, President of Local 645, AFSCME Council 48, AFL-CIO was present at the Milwaukee hearing but had to leave before he was called to testify. This is a written summary of his remarks. Could you please enter them into the record? Thank you.



AFL-CIO

American Federation of State, County and Municipal Employees, AFL-CIO

Milwaukee, Wisconsin

Professional Social Services,

Local Union Name Human Services and Related Employees No. 645

Secretary: Cecile-Marie Purdy Date: _____

Address: %Juvenile Probation Center, 802 N. 94th St., Milwaukee, W
(Street) (City, Zone and State) 53226

We feel the fast track approach to the state takeover of child welfare services in Milwaukee County has been too ambitious. In it's haste to take over complete control of the system, it will render the current system incapable of providing services to families and children during the transition period. The chaotic conditions of the system the state takes over, coupled with the increased level of fragmentation the new system will impose, will place the new system in jeopardy of failure.

There are two changes that must take place immediately in the state's plan. On the worker level the Intake/Assessment function must continue to be a county job for at least the first year the system is in place. The state will implement it's desired assessment tool, worker protocols, and provide quality control of the function. This will provide stability to both the transition and new systems. It will provide a safety net for the new system as well as maintaining a degree of local autonomy. It makes fiscal sense.

The second change relates to local autonomy. The Partnership Board must be allowed more input. Rather than being involved in any decision making, it appears that the Board will only be used to rubber stamp state decisions. The Board should be the voice of the community, not the state.

The Board could and should help facilitate a contract between the state and the county for the role the county will play in the new system. The slogan was "Build It Now" for Miller Park. "Sign the Contracts Now" should be the motto for the Board. Signed contracts, like keeping the Intake/Assessment function a county job, will provide stability. It will help belie the perception by many in the community that the state is an "occupying army".

in the public service

There are two major fiscal issues that need to be resolved. The first is the state's insistence that the county only receive 2% - 3% administrative costs reimbursement. The second is the state's projection that Medical Assistance reimbursement will be \$5,000,000 in the new system. The current system generates around \$500,000. That amount will certainly increase. However, if what could very likely be the case, the reimbursable dollars only total \$2,000,000, will the county/provide vendors be responsible for the deficit?

It's time to stop the political maneuvering. Local input at the implementation level of planning is needed. Without it, this system is doomed to failure. Then, despite the state's efforts, the courts will eventually have to establish a system. That system will be much more costly.